



NEWS RELEASE

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JOHANNIS ANNOUNCES \$14.6 MILLION FOR VALUE ADDED PRODUCER GRANTS

Projects in 42 States Selected, Bioenergy, Dairy Producers get Funding

WESTEGO, La., Sept. 30, 2005-- Agriculture Secretary Michael Johanns today announced the selection of 171 applications from 42 states to receive over \$14.6 million in USDA Rural Development grant assistance under the Value-Added Producer Grant program.

"These grants will create jobs and improve financial returns for growers and farm families across rural America," said Johanns. "These funds assist agricultural producers in marketing their products and enhance opportunities for the development of alternative fuels from renewable energy sources, part of President Bush's comprehensive national energy policy."

Since 2001 the Bush Administration has committed over \$115 million to support value-added agricultural investments, including over 110 energy related projects. Value-Added Producer Grants may be used for planning activities, such as feasibility studies or business plans, or to provide working capital for marketing value-added agricultural products and for farm-based renewable energy projects.

Eligible applicants are independent producers, farmer and rancher cooperatives, agricultural producer groups, and majority-controlled producer-based business ventures. The Value-Added Producer Grant program was authorized by the Agriculture Risk Protection Act of 2000 (P.L. 106-224) and the 2002 Farm Bill (P.L. 107-171).

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Value added products are created when a producer takes an agricultural commodity, like milk or vegetables, and processes or prepares it in a way that increases value to consumers. For example, in Nebraska, an on-farm dairy processing plant that manufactures a Hispanic line of cheeses will receive funding to prepare a marketing plan and design promotional materials and bi-lingual labels.

A Mississippi cooperative will receive a grant to process and market frozen, processed blueberries. The Wisconsin Soybean Marketing Board will receive a grant to determine the viability of marketing bio-diesel fuel made by a producer-owned soybean processing plant. Businesses and producers in California, Colorado, Delaware, Illinois, Indiana, Iowa, Kansas, Mississippi, Missouri, Nebraska, Ohio, Oregon, Vermont, Washington and Wisconsin will receive grants to assess the feasibility of marketing ethanol and bio-diesel, or other types of renewable energy. A total of 32 energy related grants were awarded this year. A complete list of the grants is available on the USDA web site at: <http://www.rurdev.usda.gov>.

Nebraska received over \$1.1 million in value-added producer grants distributed to the following 16 recipients:

Beaver Creek Partners, LLC-Sutton-\$150,000 for marketing and promotional efforts of 'Deering Bridge Farms' pork products.

CC Ag, LLC-Wisner-\$150,000 to develop a market for compost to use as plant nutrients and a soil amendment.

Chicory USA, LLC-Scottsbluff-\$150,000 to develop the only domestic roasted chicory enterprise in North and South America. Create additional markets, promote increased local production of chicory root and purchase inventory.

Farmers Cooperative Elevator Company-Hemingford-\$29,000 to determine feasibility of hard white wheat for new and emerging markets.

Greenglade Specialty Goat Milk Products-Martell-\$18,500 to conduct feasibility study for establishment of a value-added on farm goat cheese and dairy product processing facility.

Jisa Farmstead Cheese, LLC-Brainard-\$150,000 to market Hispanic specialty cheeses.

Meyer Vineyards, Inc.-Superior-\$150,000 to produce and market premium wines.

Nebraska Turkey Growers Cooperative-Gibbon-\$64,840 to create new sales opportunities for higher value-added turkey products.

Prairieland Dairy, LLC-Firth-\$85,000 will complete market feasibility study and business & marketing plans regarding consumer demand for composted products derived from dairy operation.

Richard D. Zeller dba RZ Management-Ogallala-\$16,000 to conduct feasibility study and develop marketing & business plans.

Rolling Hills Vineyard-Cody-\$18,500 will conduct a feasibility study on and develop marketing & business plans for processing, marketing and distributing gourmet vinegars made from wild fruits native to the Nebraska Sandhills.

Rutledge Apiaries, Inc.-Plainview-\$18,500 to complete feasibility study, marketing & business plans for producing and marketing honey spread known as honey 'buttur'.

Seifer Farms, LLC-Sutherland-\$10,000 for feasibility study, developing marketing & business plans for all natural pasture raised chickens.

Spring Valley Farm-Lincoln-\$29,700 for feasibility study to determine local market potential and overall profitability of freeze-dried floral and food products and to develop marketing and business plans.

Unified Soy Products, LLC-Orchard-\$25,000 to conduct site analysis, feasibility & marketing study and business plan for building combination soybean crushing facility and soy bio-diesel production plant.

Westphalia Vineyards-Bow Valley-\$48,500 to conduct feasibility study and marketing & business plans, with assistance from University of Lincoln Food Processing Center and other consulting firms, for a new winery.

For further information on the Value-Added Producer Grant program in Nebraska, contact Deb Yocum at (402) 223-3125, (402) 437-5093 (TDY); debra.yocum@ne.usda.gov; 201 N. 25th Street Beatrice, NE 68310.

USDA Rural Development's mission is to deliver programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents. As a venture capital entity, Rural Development has invested over \$54 billion since the beginning of the Bush Administration to provide equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. As a result, over one million jobs have been created or saved through these investments. Further information on rural programs is available at a local USDA Rural Development office or by visiting USDA's web site at <http://www.rurdev.usda.gov>.